GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:411
ANSWERED ON:28.02.2008
NEW MEASURES TO COMPETE WITH PRIVATE AIRLINES
Appadurai Shri M.

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Ministry proposed to initiate new measures to compete with cheap private airlines who are offering fares lesser than 2-tier AC fare;

(b) if so, the details thereof;

(c) whether the concession in fares in AC trains are proposed to be given from current financial year; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS(SHRI R.VELU)

(a) & (b): Railways are aware of the competition in the Airlines sector particularly due to low cost Airlines. However, Airlines are offering only a very limited number of seats at low fares and have conditions attached to travel, booking and cancellations. Following steps have been taken by the Railways to gear up to the competition: -

(i) Developing additional seating capacity in trains by introducing additional trains.

(ii) Enhancing the load of more patronised trains to the maximum to meet the demand.

(iii) Attaching additional coaches in trains to clear waiting list.

(iv) Improving utilisation of coaching stock so as to ward off the shortage of coaches.

(v) Introduction of Scheme for Frequent Travellers (SOFT).

(c) & (d): A variable Fare Scheme was introduced under Dynamic Pricing Policy in the current financial year (2007-2008). Concession given in fares in AC Classes is as under: -

Class	Busy Season	Lean Season
AC First	3%	6%
AC 2-Tier	2%	4%
AC 3-Tier(81 berths)	4%	8%
AC Chair Car (102 seats)	4%	8%